GFTN-UK FOREST PRODUCT REPORTING SUMMARY FOR 2015

Network Rail has been a participant in WWF's Global Forest & Trade Network (GFTN) in the UK since 1996.

All GFTN participants commit to progressively sourcing forest products from well-managed sources.

Network Rail applies due diligence to assess and mitigate any risk of illegal and unwanted forest products entering into the UK market from our supply chain. We collect as much information on supply chain sources as possible, and systematically work to eliminate poor sources which may not positively benefit forests as a future resource for people and nature.

To highlight our progress towards meeting our commitments to source well-managed and recycled materials, we're publishing the status of our current supply chain for various categories of forest goods, as defined by the GFTN.

We hope the transparency of the UK GFTN members about their performance on forest sourcing will prompt others in the sector to follow suit. We also encourage all forest certification systems to continuously improve their performance in delivering responsible forest management.

At present, WWF and GFTN participants believe FSC represents the gold standard and a credible benchmark for other forest certification schemes to match. Our preference is to source increasingly from credibly-certified forests or verified recycled sources.

The European Timber Regulation aims to limit the trade in illegal timber. It provides a baseline of legality as a minimum for forest goods entering the European market and reaching consumers. GFTN participants want to make sure they're playing their part in reducing the UK footprint on global forest resources, by sourcing sustainably – going beyond a compliance-only approach.
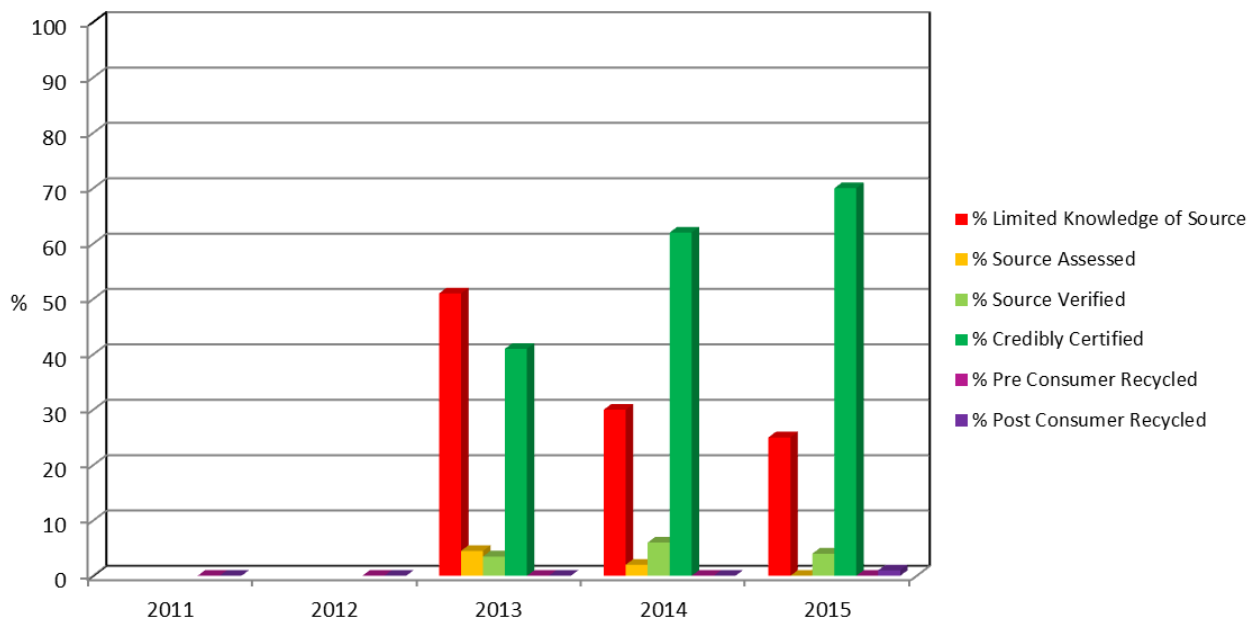
Our forest products reported for the 2015 calendar year are as follows:

0%   Source Assessed

4%   Source Verified (including e.g. PEFC purchased with Chain of Custody)

70%   Credibly Certified (e.g. FSC purchased with Chain of Custody)

1%   Recycled

In the past 3 years, our procurement of forest products, towards more responsible sourcing, has progressed as shown in the charts below.

		2013	2014	2015
Total volume reported, as WRME (wood raw material equivalent)	m3	17,840	22,144	59,268
Limited knowledge of source	%	51	30	25
Credibly Certified	%	41	62	70
Source Verified	%	3.5	6	4
Source Assessed	%	4.5	2	0
Pre-Consumer Recycled	%	0	0	0
Post-Consumer Recycled	%	0	0	1

Network Rail forest products 2013-2015, reported against GFTN reporting categories

Scope of reporting

The scope of Network Rail forest product reporting has changed over the years as follows:

2013
- Full year data for timber sleepers and bearers
- Full year data for timber-based products from framework builder's merchants.

2014 As for 2013 plus:
- Part-year data for timber-based materials across our construction activities

2015 As for 2013 plus:
- Full year data for timber-based materials across our construction activities
- Full year data from our principal framework stationery supplier
- A partial data set for suppliers of fencing products.

Challenges

CHALLENGE 1 - Data completeness
The scope of Network Rail reporting has increased over the past three years, but we are aware that some of our supply chain product categories are not yet providing timber procurement data, notably fencing, furniture and framework building contractors. Other supply chain activities, particularly construction, are providing data that we believe to be incomplete. It is difficult to establish the level of under reporting, but we are working to understand the reasons for under reporting and improve the volume of data received.

CHALLENGE 2 – Timber management resourcing
As the scope and volume of timber reporting has risen over the past three years this has a commensurate increase in the time and effort required to collate, analyse and verify data from multiple supply chain sources in order to report overall business performance. This places increased demand on resources, in particular to validate certification, or verify due diligence claims for 'source assessed' products. As an example we believe a large proportion of the materials that we currently report as 'limited knowledge of source' could be reclassified as 'source assessed' but we have not been able to verify the due diligence processes to justify this reclassification.
To address this we are planning more systematic controls to gather and evaluate timber data at intervals through the yearly cycle.

CHALLENGE 3 – Chain of Custody evidence
Where delivery notes and invoice documents don't explicitly state the certification status of consignment items this is deemed to be a break in the chain of custody. We are working with our suppliers to improve standards of delivery note and invoice documents.

CHALLENGE 4 – Control of sub-contractor procurement
On larger complex projects where construction and fit-out timber may be procured by subcontracted work packages there is a risk that timber procurement might by-pass project controls. We are working with our first tier infrastructure projects suppliers to identify mechanisms to minimise leakage outside project procurement controls.

Priorities

Our four priority areas for 2016 and 2017 closely follow the areas of challenge outlined above.

PRIORITY 1 – Enhance the timber reporting elements of the Network Rail environmental performance platform used by our infrastructure projects suppliers, to enable improvements in the quantity and quality of project timber reporting.

PRIORITY 2 – Plan and implement time-bound intervention milestones for collating and reviewing forest product data at quarterly intervals through the yearly cycle.

PRIORITY 3 – Improve arrangements for challenging the due diligence activities of suppliers who provide products with uncertain certification status. This could support improved reclassification of 'limited knowledge of source' products as 'source assessed', or would identify suppliers whose due diligence processes are insufficiently robust.

PRIORITY 4 – Improve the inclusion of explicit requirements for provision of certified forest products with full chain of custody, when renewing key product framework tenders and contracts.

Our Policy

Read our Responsible Timber Sourcing Policy here